

DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE WASHINGTON, D.C. 20224

March 21, 2001

Number: **INFO 2001-0096** Release Date: 6/29/2001 Index Number: 501.03-00

Dear xxxxxxxxxxxxxxxxx:

To be recognized as exempt from federal income tax under section 501(c)(3) of the Code, an organization must be organized and operated exclusively for charitable purposes. An organization is not operated exclusively for charitable purposes if it participates in political campaign activities, which include making oral statements for or against any political candidate for elective office. For example, in *Christian Echoes National Ministry, Inc. v. United States*, the court revoked the organization's tax-exempt status because it used its broadcasts to attack candidates and incumbents it considered too liberal. An absolute prohibition exists against engaging in these activities.

We forwarded xxxxxxxxx information to our Exempt Organizations Examination, Programs & Review office for appropriate action.

We appreciate xxxxxxx advising us of a tax-exempt organization's possible violation of the Code. The Code includes taxpayer privacy provisions, which were enacted by the Congress to protect the privacy of tax returns and tax return information of all taxpayers. We cannot disclose what action, if any, the IRS may take using the information xxxxxxxxx provided.

I can tell you, however, we maintain an ongoing examination program to ensure taxexempt organizations meet the legal requirements for tax exemption and comply with the tax laws. When an examination shows an organization is not complying with the tax laws, we take appropriate action.

If xxxxxxxx has more information about this matter, he can send it to:

EO Examination, Programs & Review T:EO:E:PR Internal Revenue Service 1100 Commerce Street Dallas, TX 75242

Sincerely,

/s/ by Tom Miller

Steven T. Miller Director, Exempt Organizations